Unemployment rate steady at 4.2%

Media Release

Released 18/09/2025

Source: Labour Force, Australia, August 2025

The seasonally adjusted unemployment rate was steady at 4.2 per cent in August, according to data released today by the Australian Bureau of Statistics (ABS).

Sean Crick, ABS head of labour statistics, said: 'Employment fell by 5,000 people and the number of unemployed fell by 1,000 people in August.

'This meant that the unemployment rate remained steady at 4.2 per cent whilst the participation rate fell by 0.1 percentage points to 66.8 per cent.'

The employment-to-population ratio fell by 0.1 percentage points to 64.0 per cent.

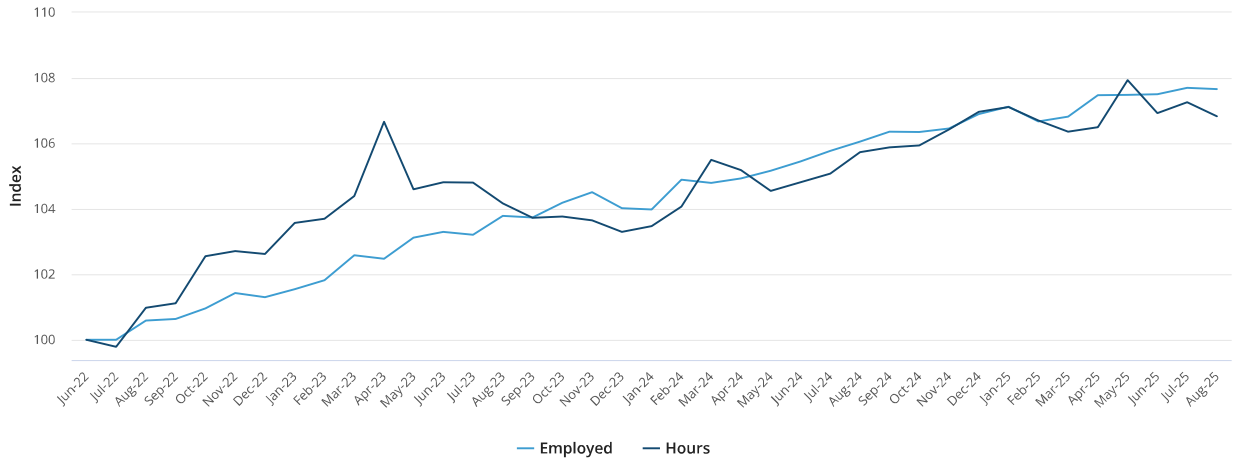
A fall in full-time employment (-41,000 people) drove the overall drop in employment numbers. Meanwhile, part-time employment saw a 36,000 person rise.

Females who were employed full-time went down 30,000 people, and males in full-time employment was down by 11,000.

There was a rise in part-time employment for both females and males, up 18,000 and 17,000 respectively.

'Hours worked fell 0.4 per cent in August, supported by less people working full-time hours this month,' Mr Crick said.

Seasonally adjusted employment and hours worked, indexed to June 2022



Source: Labour Force, Australia Tables 1 and 19

Underemployment and underutilisation

The underemployment rate fell by 0.1 percentage points to 5.7 per cent in August. This was 0.8 percentage points lower than August 2024, and 3.0 percentage points lower than March 2020.

The underutilisation rate, which combines the unemployment and underemployment rates, fell by 0.1 percentage points to 9.9 per cent. This was 0.7 percentage points lower than August 2024, and 4.0 percentage points lower than March 2020.

Underlying trend data

The trend unemployment rate rose to 4.3 per cent in August.

Employment grew by around 18,000 people, or 0.1 per cent in August, and up 1.7 per cent over the last 12 months.

Monthly hours worked rose by 0.1 per cent, reflecting similar monthly growth in people employed. The annual growth rate of hours worked and people employed were both the same at 1.7 per cent.

‘In trend terms, the participation rate remained at 66.9 per cent in August, while the employment-to-population ratio stayed at 64.1 per cent,’ Mr Crick said.

The underemployment rate was steady at 5.8 per cent and the underutilisation rate fell marginally to 10.0 per cent.

More information, including regional labour market data, will be available in the upcoming August 2025 issue of Labour Force, Australia, Detailed, on Thursday 25 September 2025.

The ABS would like to thank Australians for their continued support in responding to our surveys.

Media notes

- The August survey reference period is from 3 August 2025 to 16 August 2025.
- The September survey reference period is from 31 August 2025 to 13 September 2025.
- The ABS defines population as the resident civilian population aged 15 years and over when reporting labour force statistics.
- Numbers may not be additive due to rounding.
- Watch our data literacy presentation on CPI, inflation and cost of living data (https://www.youtube.com/watch?v=9-sGkfqqI70) as well as our ABS data crash course (https://www.youtube.com/watch?v=le2K3PNejU4&list=PLR8_RxifMwL4JQTxYclMANzga67VBlyhj&index=11), designed especially for journalists to learn how to find, download and interpret our data.
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